

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Webster Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: February 2, 2021

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on September 1 of each fiscal year. The schedule is effective in FY21 (since the amount under the prior schedule was maintained in FY21) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.35% to 7.30% and an adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Enc.



Webster Retirement System
January 1, 2020 Actuarial Valuation

Total Cost increasing 6.5% increasing until FY32 with a final amortization payment in FY33

Fiscal Year	Normal Cost	Net 3(8)(c)	Amort. of UAL	Amort. of 2002 ERIP	Total Cost	Unfunded Act. Liab.	Total Cost % Increasing
2021	1,242,494	75,000	2,521,956	70,456	3,909,906	32,129,293	
2022	1,290,805	75,000	2,700,672	73,195	4,139,672	31,725,547	5.9%
2023	1,348,891	75,000	2,908,370	76,489	4,408,751	31,082,578	6.5%
2024	1,409,592	75,000	3,130,797	79,931	4,695,320	30,167,602	6.5%
2025	1,473,023	75,000	3,368,964	83,528	5,000,515	28,944,894	6.5%
2026	1,539,309	75,000	3,623,953	87,286	5,325,549	27,375,035	6.5%
2027	1,608,578	75,000	3,896,917	91,214	5,671,710	25,414,565	6.5%
2028	1,680,964	75,000	4,189,087	95,319	6,040,371	23,015,616	6.5%
2029	1,756,608	75,000	4,601,387		6,432,995	20,125,501	6.5%
2030	1,835,655	75,000	4,940,485		6,851,139	16,686,279	6.5%
2031	1,918,259	75,000	5,303,204		7,296,464	12,634,272	6.5%
2032	2,004,581	75,000	5,691,153		7,770,734	7,899,549	6.5%
2033	2,094,787	75,000	2,419,524		4,589,311	2,405,359	-40.9%
2034	2,189,053	75,000			2,264,053	0	-50.7%

FY21 Appropriation assumed to be made on average on September 1.

Beginning in FY22, appropriation assumed to be made on August 1 of each fiscal year.

Normal cost includes expenses of \$350,000 and is assumed to increase 4.5% per year.

FY21 appropriation maintained at level of current schedule.